



GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 26, 2015

Bank of American Fork  
33 East Main  
American Fork, Utah 84003

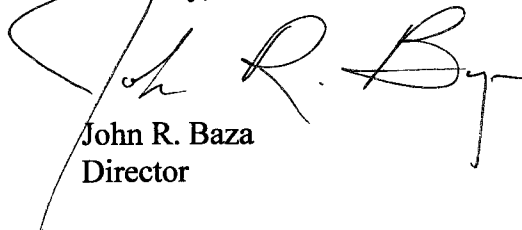
Subject: Authorization for Full Release of Reclamation Surety, Certificate of Deposit, Robert Steele, Hi-Cal Mine, M/023/0071, Juab County, Utah

Dear Sir or Madame:

Bank of American Fork is presently holding certificate of deposit . . . for the benefit of the State of Utah, Division of Oil, Gas and Mining, and the U. S. Department of the Interior, Bureau of Land Management, as a form of reclamation surety for Robert Steele's Hi-Cal mine. This letter authorizes the full release of the certificate of deposit.

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,



John R. Baza  
Director

JRB:whw:pb

cc: Robert Steele, enclosure original CD Agreement letter (CRR 7013 2250 0000 2309 2679)  
Duane Bays, Fillmore BLM (dbays@blm.gov)  
Opie Abeyta, BLM SO (oabeyta@blm.gov)

P:\GROUPS\MINERALS\WP\M023-Juab\M0230071-HiCal\final\CDRel-5866-01262015.doc





OLENE S. WALKER  
Governor  
GAYLE F. McKEACHNIE  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

ROBERT L. MORGAN  
Executive Director

LOWELL P. BRAXTON  
Division Director

October 5, 2004

Bank of American Fork  
33 East Main  
American Fork, Utah 84003  
(801) 756-7681

RECEIVED

OCT 13 2004

DIV OF OIL GAS & MINING

Attention: Bob Chatfield, Vice President

Subject: Reclamation Surety, Certificate of Deposit for Robert Steele's HiCal #1 Mine Site, M/023/071, Juab County, Utah  
Certificate of Deposit no. \_\_\_\_\_; Principal Amount \$20,000

This letter describes the mutually agreed upon instructions of the below signed parties to Bank of American Fork ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the HiCal #1 mine site (Mine Site), Juab County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$20,000 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") and the United States Department of Interior Bureau of Land Management ("USDOI-BLM") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

#### Ownership and Renewal:

Ownership of the CD is retained by REB Minerals, LLC, a Utah Limited Liability Company, ("Owners"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and USDOI-BLM and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by both the Director of the Division and the authorized officer of USDOI-BLM.

Shannon Johnson 801-642-3041  
Bank of American Fork  
shannon.johnson@bankaf.com

**Redemption:**

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of both the Director of the Utah Division of Oil, Gas & Mining and the authorized officer of USDOIBLM to the Bank. Upon the instruction and demand of the Director and authorized officer of USDOIBLM, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division and the authorized officer of USDOIBLM may redeem the CD.

**Release:**

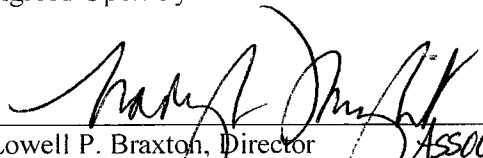
The bank shall release the CD only upon the written instruction of both the Director of the Division and the authorized officer of USDOIBLM to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest.

**Accrued Interest:**

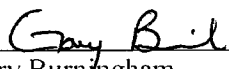
Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$20,000. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

**Bank will not be held liable for any dispute between the parties.**

Agreed Upon By:

*for*   
Lowell P. Braxton, Director  
Utah Division of Oil, Gas & Mining *Assoc. Dir.*

Date: Oct 19, 2004

  
Gary Burningham  
REB Minerals, LLC  
Tax ID Number: \_ \_

Date: 10/7/04

  
Bob Chatfield  
Bank of American Fork

Date: 7 Oct 2004

O:\M023-Juab\M0230071-HiC\al\final\cdcover-joint-10042004.doc

m/023/071

Date Opened: 10/07/04 Term: 11 Month(s) Tax ID: Number:

Certificate of Deposit

Account Number:

Amount of Deposit: Twenty thousand & no/100 \$ 20,000.00  
This Time Deposit is Issued to: Issuer: OCT 13 2004

DIV. OF OIL, GAS & MIN. Bank of American Fork  
1280 South 800 East  
Orem, UT 84057

R E B MINERALS LLC  
HELD FBO STATE OF UTAH, DIVISION  
OF OIL, GAS & MINING AND USDOJ-BLM  
PO BOX 974  
AMERICAN FORK UT 84003-0974

Not Negotiable - Not Transferable - Additional terms are below.

By ANGIE WELLING

Additional Terms and Disclosures

This form contains the terms for your time deposit. It is also the Truth-in-Savings disclosure for those depositors entitled to one. There are additional terms and disclosures on page two of this form, some of which explain or expand on those below. You should keep one copy of this form.

**Maturity Date:** This account matures 09/07/05 (See below for renewal information.)

**Rate Information:** The interest rate for this account is 1.9800 % with an annual percentage yield of 2.00 %. This rate will be paid until the maturity date specified above. Interest begins to accrue on the business day you deposit any noncash item (for example, a check). Interest will be compounded quarterly. Interest will be credited quarterly added back to the certificate.

☒ The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.

☒ If you close your account before interest is credited, you will not receive the accrued interest.

The NUMBER OF ENDORSEMENTS needed for withdrawal or any other purpose is: 1.

**Minimum Balance Requirement:** You must make a minimum deposit to open this account of \$ 5,000.00.

☒ You must maintain this minimum balance on a daily basis to earn the annual percentage yield disclosed.

**Withdrawals of Interest:** Interest ☐ accrued ☐ credited during a term can be withdrawn:

**Early Withdrawal Penalty:** If we consent to a request for a withdrawal that is otherwise not permitted you may have to pay a penalty. The penalty will be an amount equal to: 1MONTH interest on the amount withdrawn.

**Renewal Policy:**

☐ **Single Maturity:** If checked, this account will not automatically renew. Interest ☐ will ☐ will not accrue after maturity.

☒ **Automatic Renewal:** If checked, this account will automatically renew on the maturity date. (see page two for terms) Interest ☒ will ☐ will not accrue after final maturity.

**ACCOUNT OWNERSHIP:** You have requested and intend the type of account marked below.

☐ Individual

☐ Joint Account - With Survivorship (and not as tenants in common)

☐ Joint Account - No Survivorship (as tenants in common)

☐ Trust: Separate Agreement Dated

☒ Limited Liability

☐ Revocable Trust or ☐ Pay on Death Designation as defined in this agreement (Beneficiaries' names and addresses)

BACKUP WITHHOLDING CERTIFICATIONS

TIN:

☒ **Taxpayer I.D. Number** - The Taxpayer Identification Number shown above (TIN) is my correct taxpayer identification number.

☐ **Exempt Recipients** - I am an exempt recipient under the Internal Revenue Service Regulations.

☒ **Backup Withholding** - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

A provision for my signature, certifying under penalty of perjury the statements checked in this section and that I am a U.S. person (including a U.S. resident alien), is contained on the first copy of this certificate.

ENDORSEMENTS - SIGN ONLY WHEN YOU REQUEST WITHDRAWAL

X  
X  
X



Orem Office  
1280 South 800 East  
Orem, UT 84057

## TRUTH IN SAVINGS DISCLOSURE FOR TIME ACCOUNTS

Terms following a ☒ apply only if checked.

Acct: 11 Month Certificate

Acct #:

Date: OCTOBER 07, 2004

☒ The interest rate and annual percentage yield stated below are accurate as of the date printed above. If you would like more current rate and yield information please call us at 801 642 3000.

This disclosure contains the rules which govern your deposit account. Unless it would be inconsistent to do so, words and phrases used in this disclosure should be construed so that the singular includes the plural and the plural includes the singular.

### ☒ FIXED RATE:

☒ The interest rate for your account is 1.9800 % with an annual percentage yield of 2.00 %. We will pay this rate until first maturity.

☐ The interest rate and annual percentage yield for your account depend upon the applicable rate tier. We will pay these rates \_\_\_\_\_.

### ☐ VARIABLE RATE:

☐ The interest rate for your account is \_\_\_\_\_ % with an annual percentage yield of \_\_\_\_\_ %. Your interest rate and annual percentage yield may change.

☐ The interest rate and annual percentage yield for your account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change.

#### **Determination of Rate:**

☐ At our discretion, we may change the interest rate on your account.

☐ The interest rate for your account \_\_\_\_\_.

☐ The fixed initial rate is not determined by this rule.

☐ The initial interest rate on your account \_\_\_\_\_.

Subsequent rates \_\_\_\_\_.

#### **Frequency of Rate Change:**

☐ We may change the interest rate on your account \_\_\_\_\_.

☐ Your initial interest rate will not change \_\_\_\_\_.

We may change the interest rate on your account at that time and \_\_\_\_\_ thereafter.

#### **Limitations on Rate Changes:**

☐ The interest rate for your account will not \_\_\_\_\_ by more than \_\_\_\_\_ each \_\_\_\_\_.

☐ The interest rate will not be less than \_\_\_\_\_ % or more than \_\_\_\_\_ %.

☐ The interest rate will not \_\_\_\_\_.

the interest rate initially disclosed to you.

### COMPOUNDING AND CREDITING:

☒ Frequency - Interest will be compounded quarterly.

Interest will be paid quarterly added back to the certificate.

☒ Withdrawal of Interest Before Maturity. The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.

☐ Required Interest Distribution. This account requires the distribution of interest and does not allow interest to remain in the account.

☒ Effect on Closing an Account. If you close your account before interest is credited, you will receive the accrued interest.

### MINIMUM BALANCE REQUIREMENTS:

☒ To Open the Account. You must deposit at least \$ 5,000.00 to open this account.

☐ To Obtain the Annual Percentage Yield Disclosed.

☐ You must maintain a minimum balance of \$ \_\_\_\_\_ in the account each day to obtain the disclosed annual percentage yield.

☐ You must maintain a minimum average daily balance of \$ \_\_\_\_\_ to obtain the disclosed annual percentage yield. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is \_\_\_\_\_.

### BALANCE COMPUTATION METHOD:

☒ Daily Balance Method. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

☐ Average Daily Balance Method. We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is \_\_\_\_\_.

### ACCRUAL OF INTEREST ON NONCASH DEPOSITS:

☐ Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

☒ Interest begins to accrue on the business day.

you deposit noncash items (for example, checks).

### MATURITY DATE:

☒ Your account will mature on 09/07/05.

☒ Your account will mature in 11 MONTHS.

☐ We may accelerate the maturity or call this account, at our option, \_\_\_\_\_.

SCHEDULE OF FEES  
BANK OF AMERICAN FORK

THE FOLLOWING FEES MAY APPLY TO YOUR ACCOUNT

Savings Account

A quarterly minimum balance fee of \$ 1.50 will be assessed if the daily balance is below \$10.00 at the time of the statement preparation. The following fee applies to this account:

Excess savings withdrawals: \$ 1.00 PER WITHDRAWAL.

Overdraft Item...(per item).....	\$20.00
NSF Items...(per item).....	\$20.00
Check Image Back Side...(per month).....	\$ 1.00
Stop Payment.(each).....	\$20.00
Chargebacks...(each).....	\$ 2.00
Wire Transfers...(each).....	\$15.00
Daily overdraft Fee .....	\$ 3.00
Dormant Account Fee (checking).....	\$ 7.00

Per statement period if the account has seen no activity  
for twelve (12) months.

Miscellaneous Fees and Charges:

Cashier's Checks...(each).....	\$ 3.00
Money Orders (each).....	\$ 2.00

Collection Items

Incoming...(each).....	\$10.00
Outgoing...(each).....	\$ 5.00

Wire Transfers

Incoming .....	(each).....	\$15.00
Outgoing - Domestic (each).....		\$15.00
Outgoing - Foreign (each).....		\$25.00

Copy of Statement (per copy).....	\$ 1.00
Copy of Paid Check (per copy).....	\$ 1.00
Check image size modification..(per month).....	\$ 1.00
Check image back side (per month).....	\$ 1.00
Research Time (per hr).....	\$20.00

plus \$1.00 per copy

Business Night Deposit Services (per year).....	\$20.00
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Check Cashing Fee

1% of check face value for non customers

Copy Machine Use (per copy).....	\$ 0.10
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Fax-Sending

\$1.50 first page - .75 after 1st page

Fax-Receiving (per page).....	\$ 0.75
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Travelers Checks

1% of amount purchased

Checks for 2 - 1.5% of amount purchased

Safe Deposit Boxes

3 x 5 .....	\$15.00
5 x 5.....	\$25.00
3 x 10.....	\$35.00
5 x 10.....	\$45.00
10 x 10.....	\$75.00



NOTICE OF YOUR  
FINANCIAL PRIVACY RIGHTS

BANK OF AMERICAN FORK  
33 EAST MAIN  
AMERICAN FORK, UTAH 84003  
801 756 7681

**CONFIDENTIALITY AND SECURITY OF NONPUBLIC PERSONAL INFORMATION**  
The Bank of American Fork has always respected our customers' privacy and continues to be committed to keeping your personal information confidential. We want you to understand what information about you is necessary for us to collect and how we use it. In order to provide our customers with a broad range of financial products and services as effectively and conveniently as possible we use technology to manage and maintain customer information. We use strict guidelines to assure your privacy, whether you choose to do business with us in one of our branches, through the mail, over the telephone or on the internet. Our privacy policy is designed to protect your personal information from unauthorized use. We take your confidentiality seriously, and we will strive to protect the trust you have placed in us. We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We provide training to our employees about their responsibilities under our privacy policies and procedures. Employees are trained to respect customer confidentiality. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

**WHAT INFORMATION WE COLLECT.** We collect nonpublic personal information about you from the following sources:

- \* Information we receive from you on applications to us for our products and services or on other forms that you may provide us. Example: Nonpublic information on a loan application
- \* Information that we receive from processing your accounts with us and the transactions in those accounts. Example: history of checks written from your BAF deposit account
- \* Information we receive from a consumer reporting agency. Example: A credit report obtained with your permission on a credit card application
- \* Information that we receive in response to requests we make to third parties about you or to confirm information that you have provided to us, particularly in the process of evaluating applications for loans. Example: Verification of employment

**WHAT INFORMATION WE DISCLOSE**

We do not disclose any nonpublic personal information about our customers to nonaffiliated third parties except in certain circumstances and only as permitted by law. For example, we may disclose nonpublic information about you to nonaffiliated third parties to assist us in servicing, processing, or maintaining your account with us; to merchants requesting verification of sufficient funds in your account to pay a check for your purchase

FORM MR-RC  
Revised September 2, 2003  
RECLAMATION CONTRACT

File Number M/023/071  
Effective Date Oct 19, 2005  
Other Agency File Number UTU-078294

RECEIVED

OCT 13 2004

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

DIV. OF OIL, GAS & MINING

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/023/071  
(Mineral Mined) Travertine

"MINE LOCATION":  
(Name of Mine) HiCal #1  
(Description) 12 miles west of Nephi, Utah off  
highway 132

"DISTURBED AREA":  
(Disturbed Acres) 6 acres  
(Legal Description) (refer to Attachment "A")

"OPERATOR":  
(Company or Name) Robert Steele  
(Address) 1075 North 400 East  
Nephi, Utah 84648  
(Phone) (435) 623-1577

"OPERATOR'S REGISTERED AGENT":

Name)

Robert Steele

(Address)

1075 North 400 East

Nephi, Utah 84648

(Phone)

(435) 623-1577

"OPERATOR'S OFFICER(S)":

Robert Steele, Owner

SURETY":

(Form of Surety - Attachment B)

Certificate of Deposit

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Bank of American Fork

"SURETY AMOUNT":

(Escalated Dollars)

\$20,000

"ESCALATION YEAR":

2005

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Robert Steele the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/023/071 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the approved/accepted Notice of Intention and Reclamation Plan or Notice received Received 3/27/03 - not yet approved The Notice of Intention and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face

amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Robert Steele  
Operator Name

By Robert Steele  
Authorized Officer (Typed or Printed)

Owner  
Authorized Officer - Position

Robert Steele  
Officer's Signature Date

STATE OF Utah )  
COUNTY OF Utah ) ss:

On the 8th day of October, 20 04, Robert Steele  
personally appeared before me, who being by me duly sworn did say that he/she is the  
Owner of HiCal #1 Mine and  
duly acknowledged that said instrument was signed on behalf of said company by  
authority of its bylaws or a resolution of its board of directors and said  
Robert Steele duly acknowledged to me that said  
company executed the same.

[Signature]  
Notary Public  
Residing at \_\_\_\_\_

My Commission Expires:



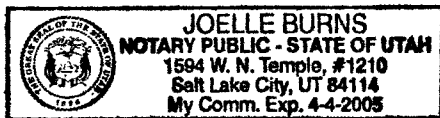
DIVISION OF OIL, GAS AND MINING:

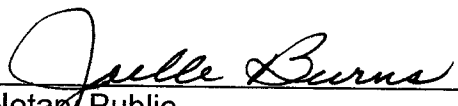
By   
Mary Ann Wright, Associate Director

Date Oct. 19, 2004

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 19<sup>th</sup> day of October, 2004, Mary Ann Wright  
personally appeared before me, who being duly sworn did say that she, the said  
Mary Ann Wright is the Associate Director of Mining, Division of Oil,  
Gas and Mining, Department of Natural Resources, State of Utah, and she duly  
acknowledged to me that she executed the foregoing document by authority of law on  
behalf of the State of Utah.



  
Notary Public  
Residing at: S LC Utah

April 4, 2005  
My Commission Expires:

## ATTACHMENT "A"

Robert Steele  
Operator

HiCal #1  
Mine Name

M/023/071  
Permit Number

Juab County, Utah

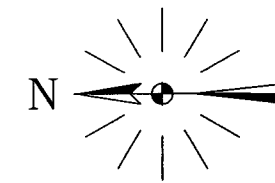
### LEGAL DESCRIPTION

*Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet, 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.*

**The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 6 acres under the approved / accepted permit and surety, as reflected on the attached map labeled HiCal Mining Property and dated September 8, 2003 :**

NE1/4 of Section 24, Township 13 South, Range 2 West, Juab County, Utah





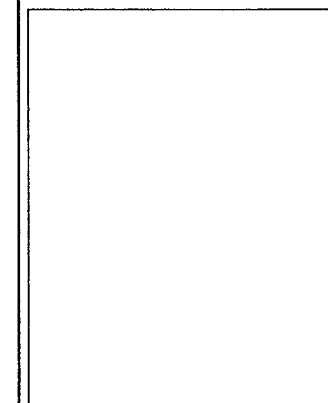
HI-CAL  
MINING PROPERTY  
NE 1/4 OF SEC.  
24 T13S R2W

- COUNTY ROAD
- CLAIM BOUNDARY
- BLM LANDS
- PRIVATE LANDS
- MINE PIT
- RECLAIMED LANDS
- STOCK PILE
- TOP SOIL
- MINE YARD

TOTAL ACERAGE  
WILL BE ~~XXXXXX~~   
AT ANY GIVEN TIME

NOTES:  
NOT DRAWN TO SCALE

LOCATION MAP



T13S  
R1W  
T13S  
R2W

CLAIMS BOUNDARY

24

CLAIMS BOUNDARY

CLAIMS BOUNDARY

CLAIMS BOUNDARY

RECEIVED

SEP 08 2003

U. S. DEPT. OF COAL, GAS & MINING

PRIVATE LANDS

RECLAIMED LANDS

YARD

STOCK PILE

YARD

TOP SOIL

PIT AREA

TOP SOIL

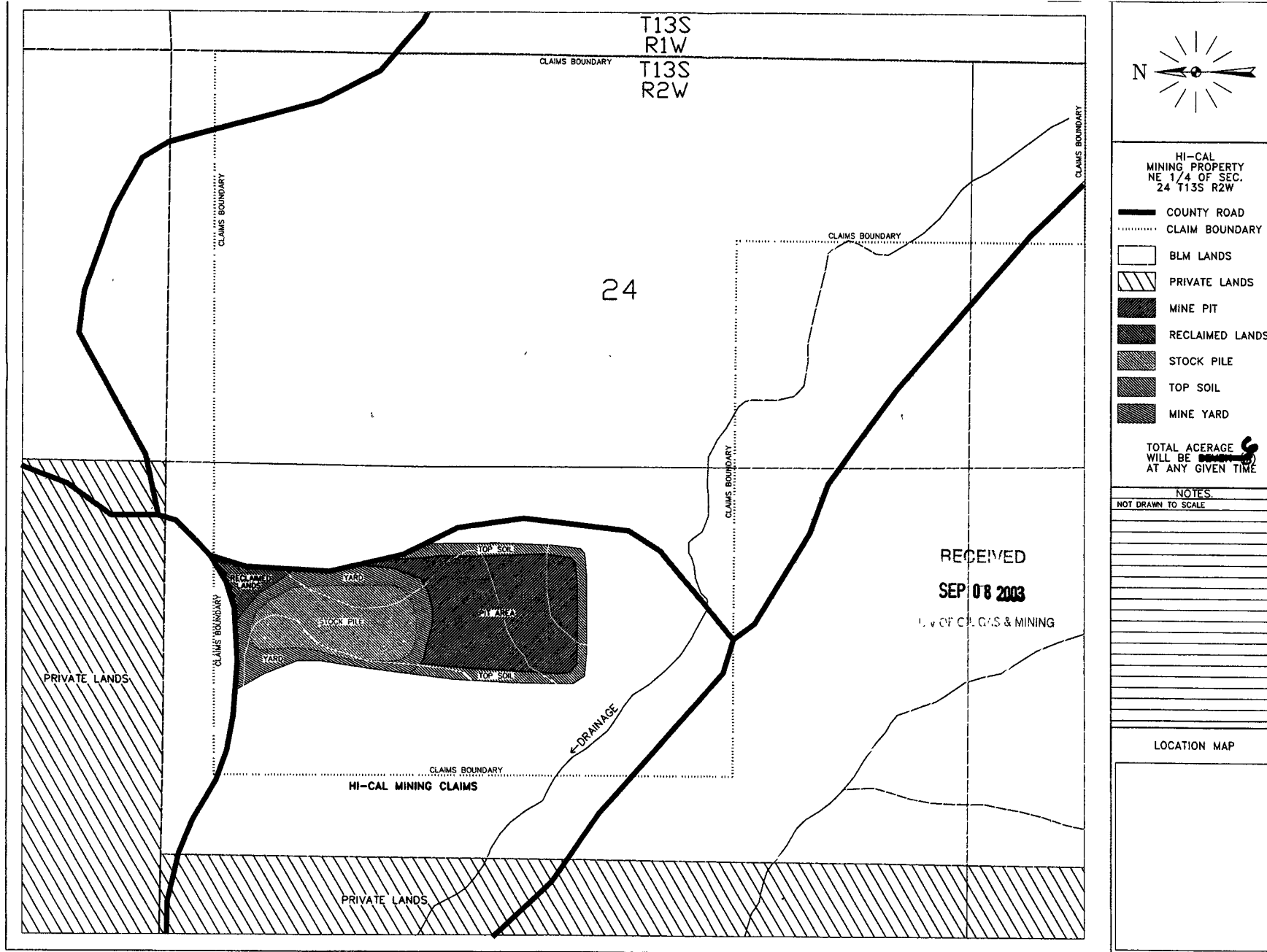
← DRAINAGE

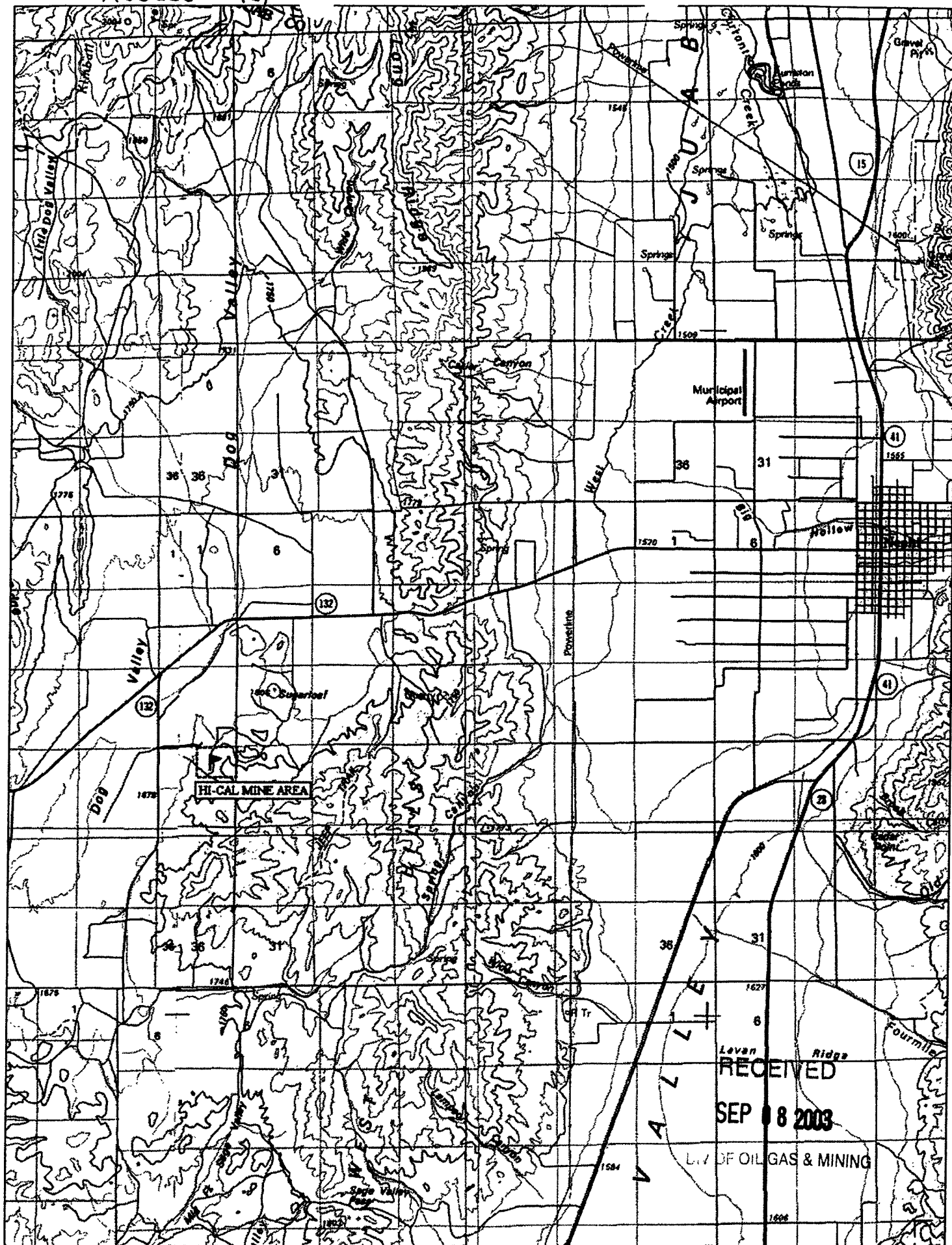
CLAIMS BOUNDARY

HI-CAL MINING CLAIMS

PRIVATE LANDS

Attachment #4







GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 23, 2012

Bank of American Fork  
33 East Main  
American Fork, Utah 84003

Subject: Authorization for Partial Release of Reclamation Surety, Certificate of Deposit, Robert Steele, Hi-Cal Mine, M/023/0071, Juab County, Utah

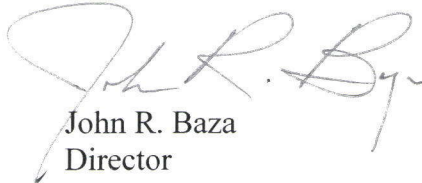
Dear Sir or Madame:

Bank of American Fork is presently holding certificate of deposit # \_\_\_\_\_ for the benefit of the State of Utah, Division of Oil, Gas and Mining, and the U. S. Department of the Interior, Bureau of Land Management, as a form of reclamation surety for Robert Steele's Hi-Cal mine. This letter authorizes a reduction in the face value of the certificate of deposit to no less than \$6,000.00. Site inspections have verified that regrading is complete.

Please supply the Division with an amended certificate of deposit showing the new amount when this transaction has been completed.

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,



John R. Baza  
Director

JRB:whw:pb

cc: Robert Steele  
JMansfie@blm.gov  
oabeyta@blm.gov

P:\GROUPS\MINERALS\WP\M023-Juab\M0230071-HiCal\final\CDRel-4576-02232012.doc







United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
FILLMORE FIELD OFFICE  
95 East 500 North  
Fillmore, Utah 84631



In Reply Refer to:  
3809 (UTW02000)  
UTU-78294

February 14, 2012

RECEIVED

FEB 21 2012

CERTIFIED MAIL # 7011 1150 0000 0357 7734  
RETURN RECEIPT REQUESTED

DIV OF OIL, GAS & MINING

DECISION

Robert Steele  
1055 North 400 East  
Nephi, UT 84648

43 CFR 3809 - Surface Management  
Notice

Partial Release of Required Financial Guarantee

Your Notice assigned Bureau of Land Management (BLM) case file number UTU-78294 was inspected on February 2, 2012. The purpose of the site visit was to inspect the reclamation that was reported complete with a request for release of financial guarantee by the Utah Division of Oil, Gas and Mining (UDOGM).

The Notice was for the Hi-Cal mine site for the mining of limestone in Section 24, Township 13 South, Range 2 West, Salt Lake Baseline and Meridian. The inspection found that the mine site was contoured to blend with the surrounding topography and the vegetation on the site has begun to establish itself. The site will require additional time in order for the vegetation to better meet reclamation requirements and another inspection will be required. A portion of your financial guarantee will be maintained to insure the vegetation is developed to an extent to meet the reclamation requirements.

Amount of Financial Guarantee – This office has determined, in consultation with the Utah Division of Oil, Gas, and Mining (UDOGM), that the required financial guarantee that should remain in place is \$6,000.00. Therefore, \$14,060 of the \$20,000.00 financial guarantee currently being held by UDOGM for their mining permit SM/023/071 which corresponds to BLM case file UTU-78294 will be released. The \$6,000.00 financial guarantee that will remain in place is sufficient to meet all anticipated reclamation requirements should the site need to be re-seeded. The amount of the reclamation cost estimate was based on the operator complying with all applicable operating and reclamation requirements.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree and are adversely affected by this decision, in accordance with 43 CFR 3809.804, you may request that the Utah BLM State Director review this decision. If you request a State Director review, the request must be received in the Utah BLM State Office, P.O. Box 45155, Salt Lake City, Utah 84145-0155, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is granted by the State Director. Standards for obtaining a stay are given below. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.



If the State Director does not make a decision concerning your request for review of this decision within 21 days of BLM's receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the Utah BLM State Office to determine when BLM receives the request for State Director Review. You have 30 days from the end of the 21 day period in which to file your notice of appeal with the IBLA (see procedures below). If you wish to bypass a State Director review, this decision may be appealed directly to the IBLA in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in the Fillmore Field Office at, 95 East 500 North, Fillmore, Utah 84631 within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

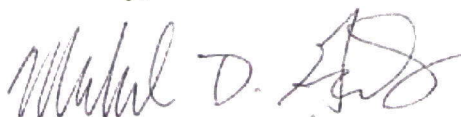
Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellant's success on the merits,
3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.

If you have any questions, please contact Jerry Mansfield, FFO Geologist, at (435) 743-3125.

Sincerely,



Michael D. Gates  
Field Manager

Enclosure: Form 1842-1

cc:

Paul Baker

UDOGM

1594 W North Temple Ste 1210

Salt Lake City, UT 84114

Opie Abeyta (UT-923)

Utah State Office/ BLM

PO Box 45155

Salt Lake City, UT 84145-0155

M0230071  
cc: Wayne



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Fillmore Field Office

95 E 500 N

Fillmore, UT 84631

<http://www.blm.gov/ut/st/en/fo/fillmore.html>



IN REPLY REFER TO:  
3809 (UTW02000)  
UTU-78294

DEC 18 2014

December 9, 2014

CERTIFIED MAIL # 7012 3460 0000 6633 3015  
RETURN RECEIPT REQUESTED

Robert Steele  
1055 North 400 East  
Nephi, Utah 84648

:  
:  
: 43 CFR 3809 - Surface Management  
:  
: Notice  
:

#### Determination of Required Financial Guarantee Amount

Your BLM exploration Notice, the Hi-Cal Mine Project near Nephi, in Juab County, Utah was inspected by the Bureau of Land Management (BLM) on November 21, 2014. The inspection was conducted to determine eligibility for final bond release. The project area is located in Township 13 South, Range 2 West, in aliquot parts of section 24; Salt Lake Meridian. The project was located entirely on BLM-managed lands.

The Notice was previously assigned BLM case file number UTU-78294. Please refer to this number for any future communication concerning the Notice. The corresponding Utah Division of Oil, Gas, and Mining (UDOGM) case file number is M/023/0071.

BLM range staff members at the Fillmore Field Office (FFO) have confirmed that the revegetation of the site in November 2014 is sufficient for bond release. The inspection by the BLM found no evidence of remaining surface disturbances that require reclamation in your proposed project area. Plant growth on the surface disturbance areas is sparse in some parts, but multiple species of grasses are present, and the vegetative community appears to be self-sustaining. Please contact UDOGM to confirm the complete release of your financial guarantee obligation to State standards for proposed activities on these lands.

Amount of Financial Guarantee – This office has determined that since no surface disturbances remain that require reclamation or revegetation, the financial guarantee of \$6,000.00 that was retained by the UDOGM for their mine permit M/023/0071 may be reduced by UDOGM to \$0.00 with the approval of the BLM. The amount of the reclamation cost estimate was based on operator compliance with all applicable operating and reclamation requirements from both the UDOGM and the BLM.



BLM's decision concerning the amount of the required financial guarantee, the determination that your Notice filing is complete, and the determination that your operations, as proposed, will not cause unnecessary or undue degradation does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State, and local laws and regulations and to obtain all applicable Federal, State, and local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee – Your financial guarantee obligation in the amount of \$6,000.00 will be reduced to \$0.00 by the BLM. Please contact UDOGM for concurrent release from their financial guarantee requirement for this project. You must receive written notification from both the BLM Utah State Office and the UDOGM acknowledging your bond release and reducing your financial guarantee to zero before your BLM Notice case file will be closed.

This decision does not constitute certification of ownership to any entity named in the Notice, recognition of the validity of any associated mining claims, or recognition of the economic feasibility of the proposed operations.

Term of Notice – Your BLM Notice case file will be closed after your bond obligation is reduced to zero. If you wish to pursue a future exploration project in this area, then you must submit a new Notice proposal to Fillmore Field Office of the BLM. You must also consult with the UDOGM about the State permitting and reclamation requirements.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree with the impending closure and are adversely affected by this decision, in accordance with 43 CFR §3809.804, you may request that the BLM Utah State Director review this decision. If you request a State Director review, the request must be received in the BLM Utah State Office, 440 West 200 South, Suite 500, Salt Lake City, Utah 84101, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR §3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a Stay is granted by the State Director. Standards for obtaining a Stay are given below. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision concerning your request for review of this decision within 21 days of BLM's receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Utah State Office to determine when BLM receives the request for State Director Review. You have 30 days from the end of the 21 day period in which to file your notice of appeal with the IBLA (see procedures below). If you wish to bypass a State Director review, this decision may be appealed directly to the IBLA in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in the Fillmore Field Office (FFO) at 95 East 500 North, Fillmore, Utah 84631 within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 for a Stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a Stay must accompany your notice of appeal. A petition for a Stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a Stay must also

be submitted to each party named in the decision, to the IBLA, and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

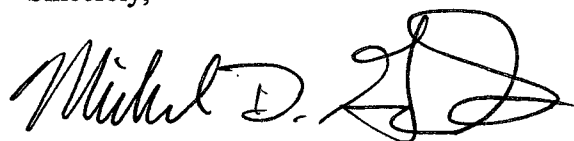
**Standards for Obtaining a Stay**

Except as otherwise provided by law or other pertinent regulation, a petition for a Stay of a decision pending appeal shall show sufficient justification based on the following standards:

- The relative harm to the parties if the stay is granted or denied
- The likelihood of the appellant's success on the merits
- The likelihood of immediate and irreparable harm if the Stay is not granted
- Whether the public interest favors granting the Stay

If you have any questions, please contact Duane Bays, Fillmore Field Office (FFO) Natural Resource Specialist, at (435) 743-3115.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael D. Gates", followed by a large, stylized flourish or initial.

Michael D. Gates  
Field Manager

Enclosure: Form 1842-1

cc:

Terry Steele  
296 North Center  
Santaquin, Utah 84655

Paul Baker  
UDOGM  
1594 W North Temple, Suite 1210  
Salt Lake City, UT 84114

Opie Abeyta (UT-923)  
Utah State Office/ BLM  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101

cc: Tom  
M/023/071

March 14, 2006

Doug Jensen, DOGM  
State of Utah  
Department of Natural Resources  
1594 West North Temple  
Suite 1210  
Salt Lake City, Utah 84114-5801

Subject: Amended Mine Plan

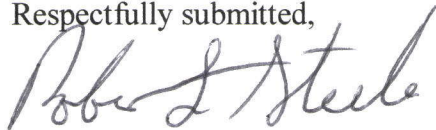
Dear Sir:

On October 5, 2005, I sent to you an Amended Mine Plan for the HiCal Mine in Juab County, State of Utah.

On October 11, you and Tom Monson and myself visited this site, we determined that 1.6 acres had been reclaimed. This included the highwall area.

Because this area was considered to be the hardest part of the reclaimed project, I respectfully request a reduction in the surety that the Division has requested.

Respectfully submitted,



Robert L Steele

RECEIVED

MAR 16 2006

DIV. OF OIL, GAS & MINING



Hi Cal Mining Property  
Steele Pit

Pit Advance

5 YEAR PLAN  
350'

Future  
Top Soil

Top Soil

12' High  
30' Wide

24' Wide  
6' High

Top Soil Stock pile  
( 3400 CU. Yards )

40' Wide  
16' High

7' Wide Road

4' High Topsoil Berm

Road

Travertine Pit

B.B. Cross Section

Reclaimed LAND  
10-1-05

A.A. Cross Section

1' Topsoil  
2' Crushed Travertine  
Covering Yard

360' Wide

405' 4' High Berm

Travertine Stock Pile

Amended mine plan 10-1-05

## EXECUTIVE SUMMARY

Robert Steele

M/023/071

Date Summary Prepared: February 28, 2005

<b>Mine Name:</b> HI-Cal #1	<b>I.D. Number:</b> M/023/071
<b>Operator:</b> Robert Steele	<b>Date Original Notice Received:</b> 03/27/2003
<b>Address:</b> 1055 North 400 East Nephi, Utah 84648	<b>County:</b> Juab
	<b>New/Existing:</b> Status changing from SMO to LMO
	<b>Mineral Ownership:</b> BLM
<b>Telephone:</b> 435-623-1877	<b>Surface Ownership:</b> BLM
<b>Contact Person:</b> Robert Steele	<b>Lease No.(s):</b>
<b>Telephone:</b> 435-623-1877	<b>Permit Term:</b> Life of Mine

**Life of Mine:** 30 years

**Legal Description:** NE ¼ of Section 24, T13S, R2W

**Mineral(s) to be Mined:** Travertine

**Acres to be Disturbed:** 8 acres

**Present Land Use:** wildlife and grazing

**Postmining Land Use:** wildlife and grazing

**Variances from Reclamation Standards (Rule R647) Granted:** None

### Soils and Geology

**Soil Description:** Soil depths range from 0 to 24 inches. The plan includes a laboratory analysis of one sample, and it had a loam texture with low salt, low nitrogen, low phosphorous, and adequate potassium.

**pH:** 7.8.

**Special Handling Problems:** In the mining process, some of the soil was covered with a volcanic clay overburden, and this will need to be removed for the underlying soil to be used.

**Geology Description:** Hot spring deposited or calcium carbonate travertine interbeaded with volcanic ash 20-30 million years old.

### Hydrology

**Ground Water Description:** There are no known wells or springs within several miles of the site and the mine is mining no deeper than 30-40 feet from the surface; therefore, no ground water impacts are expected.

**Surface Water Description:** Only small ephemeral drainage which should not present a problem in terms of water handling

**Water Monitoring Plan:** There is minimal surface runoff at or near the site; therefore, there is not a need for water monitoring, due to lack of significant surface runoff.

### **Ecology**

**Vegetation Type(s); Dominant Species:** The vegetation community in the surrounding area is sagebrush/grass. Some of the dominant species include Wyoming big sage, Sandberg bluegrass, and bluebunch wheatgrass.

**Percent Surrounding Vegetative Cover:** 50

**Wildlife Concerns:** None.

**Surface Facilities:** Temporary facilities (equipment) found on site during mining activity are loaders, trackhoes, bulldozer, portable crushers, belts. All to be removed at the end of mining activity.

### **Mining and Reclamation Plan Summary:**

**During Operations:** The operation will consist of a drill, blast, and crushing operation. First, the topsoil will be removed and stockpiled, then the travertine will be drilled and blasted. Once blasted, it will be pushed into a stockpile for crushing. After crushing, it will be stockpiled onsite for trucks to load and remove over a period of time. The site will consist of an ore stockpile, pad area, pit, highwall, and topsoil piles. The disturbance is planned to be approximately eight (8) acres and be contemporaneously reclaimed as the pit advances to the south. All equipment on site will be portable and only during mining campaigns will crushers, belts, etc. be found on site. The pit highwall will not be anymore than 35 feet high. Approximately 40,000 tons of ore will be mined and hauled per year.

**After Operations:** Any remaining highwalls will be sloped to a 1:1, covered with excess clay and topsoiled using a trackhoe. The pit will be ripped on the contour with a bulldozer and covered with topsoil to a depth of 12 inches and planted in the fall of the year with a recommended seed mix.

### **Surety**

**Amount:** \$28,100

**Form:** \$20,000 CD – remainder to be submitted prior to final approval

**Renewable Term:** 5 years (2010 dollars)